

THE REPUBLICAN PARTY AND THE PANIC

Speaking at Freeport, Ill., Hon. Edward F. Dunne, former mayor of Chicago delivered the following address:

At a time when the granaries of the nation are full, when from its fertile fields are now being garnered the most bountiful crops in its history, when its forges and factories were running to their fullest capacity, suddenly there has come upon this nation, within the last thirty days, a financial crash which has toppled over mighty banks, thrown great manufacturing plants into the hands of receivers, caused the closing of many stock exchanges, and still threatens stagnation to the entire business interests of the country.

For the first time in the history of this country since the civil war, the banks of the entire country have suspended cash payments, and resorted to the war times expedient of issuing shin-plasters to pass current in place of the currency established by the law of the land. According to the Inter-Ocean, 307,000 men, who thirty days ago were working, are now in enforced idleness, while many more thousands stand in dread of discharge, and for the first time in the history of America laboring men by the tens of thousands, are crowding the steerage of passenger ships bound for Europe.

What is the cause of the extraordinary and calamitous reversal of trade conditions in the United States? Not a failure of crops because now and for many years past we have been blessed by Providence with most bountiful harvests. Not plague or famine, because we have been remarkably free from these visitations. Not a natural scarcity of money, for owing to the recent wonderful discoveries and production of gold we have a plentiful supply per capita of the circulating medium of exchange. Not the democratic party, because it has been out of power for nearly twelve years. What, then, has been the cause of this cataclysm? Some of our republican friends would have you believe that the author of these evils is the man whom they have elevated to the highest position in the land, Theodore Roosevelt, president of the United States.

Now, fellow citizens, I believe our republican friends can locate aright the cause of the present panic in their own party, but it is in the legislative rather than in the executive branch of the government control led by them that the real cause of our troubles can be located.

The congress of the United States dominated for the last eleven years by the republican party, has been sedulously and persistently fostering monopoly and building up the voracious and greedy trusts which have been sucking up the life blood of the nation, stifling competition, robbing the producer on one hand, and the consumer on the other, and choking the middle man between them. This, the republican congress effected by its infamous tariff laws and its refusal to pass effective interstate commerce legislation which might curb the weed-like growth of these monstrous trusts and monopolies.

As early as 1896 the democratic party noted and warned the people of the danger from these giant monopolies. In the democratic platform of that year it declared:

"The absorption of wealth by the few, the consolidation of our leading railroads, and the formation of trusts and pools requires a stricter control by the federal government. We demand the enlargement of the powers of the interstate commerce commission and such restrictions and guarantees in the control of railroads as will protect the people from robbery and oppression."

Even at that early day, 1896, statistics showed that one per cent of the population owned much more than half of the property of the country, and yet the republican platform of that year had not a word against the fast growing monopolies of the trusts, but yelled lustily for more protection and less money.

In 1900 the trusts and monopolies had waxed still more formidable and dangerous. Consolidation, exploitation and balloon financing under the fostering care of the republican congress had gone on apace. The tariff laws had been given a dose of digitalis while the interstate commerce law was given the usual dose of morphine. The middle man had been choked to death, and the grip on both producer and consumer had been tightened.

The concentration of the wealth of the people in the hands of the few had been further painfully accentuated.

Again in 1900 the democratic party, in its platform, spoke out in more emphatic tones:

"Private monopolies are indefensible and intolerable * * * They rob both producer and consumer * * * Unless their insatiate greed is checked all wealth will be aggregated in a few hands and the republic destroyed. * * *

"They are fostered by republican laws and protected by the republican administration in return for campaign subscriptions and political support. * * * The whole constitutional power of congress over interstate commerce, the mails and all modes of interstate communication shall be exercised by the enactment of comprehensive laws on the subject of trusts. Tariff laws should be amended by putting the products of the trusts upon the free lists."

While the democratic party in this vigorous language recognized the portentous dangers involving and still further threatening the people in 1900 the republican party in convention assembled did not even deign to mention the word trust in its platform. Its financial beneficiaries and backers would not allow it.

But they rallied round the swag boys,

Rallied once again,

Shouting the battle cry of plunder.

And in the year 1900 again the cohorts of monopoly rallied to the cry; the electorate was again debauched with the enormous rake-off contributed by the plunder bund and monopoly again resumed its scientific robbery of the people on a grander and more stupendous scale.

Having paid the republican party for protection in their piratical schemes for the robbery of the people, the trusts justly concluded that the further prosecution of their manifold devices for exploitation of monopoly would not be interfered with.

The republican presidents and the republican congress for the next four years remained as silent and impassive as was their republican platform in dealing with the giant trusts and monopolies that were tightening their hold upon the people.

Consolidation and amalgamation of small monopolies which controlled but sections of the country into single great monopolies that embraced the whole country now began to appear. The Standard Oil company had secured the monopoly of oil from Maine to California, from the Great Lakes to the Gulf. The steel and iron, meat, leather and tobacco monopolies were almost as complete and extensive.

The grip of the octopus of monopoly for the next ensuing four years was rapidly tightening year by year.

In 1904 the national convention of both of the great political parties again formulated their platforms.

With the evidence plainly before each of these conventions that the people were being robbed and plundered by the great corporate monopolies, the parties framed their platforms and selected their candidates.

The democratic party for the third time recognized the great danger impending over the nation as the result of the tremendous growth of monopoly and privilege and again warned the electorate of the result that must inevitably follow from its continuance and declared:

"The gigantic trusts fostered and promoted under republican rule are a menace to competition and an obstacle to business prosperity.

"A private monopoly is indefensible and intolerable * * * We denounce rebates by transportation companies as the most potent agency in promoting these unlawful conspiracies against trade * * * We demand the strict enforcement of existing civil and criminal statutes against all such trusts and monopolies and the enactment of such further legislation as may be necessary to effectually suppress them."

So flagrant and oppressive had these great monopolies become at this time that the republican party for the first time in 1904 was compelled out of deference to public sentiment to take notice of the word trust.

In its platform of 1904 for the first time the republican party uses the word, but notice, my friends, the subtle and lady-like language that it uses in speaking of its friends and financial supporters, the trusts of the country. I quote it verbatim:

"Control of Trusts.—Combinations of capi-

tal and labor are the result of the economic movement of the age, but neither must be permitted to infringe upon the rights and interests of the people. Such combinations when lawfully formed for lawful purposes are alike entitled to the protection of the laws, but both are subject to the laws and neither can be permitted to break them."

This is the plank of the republican convention of 1904 in its entirety. "Vox prae-terea nil."

This Jack Bunsbian language can be as appropriately applied to a convention of millionaires as to a combination of bank burglars.

It was the manifest intention of the leaders of the republican party, every man of whom was directly or indirectly financially in the great trusts and monopolies which were oppressing the people, to continue the era of loot and protect the incorporated looters that furnished them their gigantic campaign funds and made most of them millionaires. Immediately after the election of President Roosevelt the free looters of finance resumed with added confidence their colossal schemes for plundering the public.

By devious methods having procured control of the great life insurance companies, banks and railroads, they used the trust moneys of these institutions to acquire the stocks of the smaller banking, railway, street railway and industrial corporations, and having placed themselves and their satellites on the boards of directors of these smaller concerns, they started their engraving and printing departments to work and issued to themselves billions of dollars worth of bonds and stock certificates which they then listed upon the stock exchanges and proceeded to deal out to the gullible public.

In 1904 the United States census estimated the total wealth of the United States at \$107,000,000,000.

Yet while the total wealth of the whole country of every character as estimated by the United States census bureau was only \$107,000,000,000 these conscienceless free looters had stocked and bonded four classes of corporations alone, the steam railroads, the public utility corporations, some mining corporations and some industrial corporations at the enormous sum of thirty-six and one-fourth billions as shown by Moody's Manual of 1906. In other words these frenzied financiers had listed upon the stock exchange and offered to the public for consumption stocks and bonds of these four classes of corporations alone, at a supposed value of thirty-four per cent of all the wealth of the United States.

As a sample of how the public were being swindled by these watered stocks and bonds, let me cite the case of the American Tobacco company as recounted in this month's number of Everybody's Magazine.

In 1890 five tobacco firms, having real estate and buildings worth \$400,000, were incorporated in New Jersey for \$25,000,000. This stock was actually sold to the credulous public for from 63 to 180 cents on the dollar.

In 1898 the public having "digested" the \$25,000,000 issue of stocks and bonds, Jim Keene and the Standard Oil crowd became interested, got control and again started the stock and bond factory, and the stock and bond capitalization was increased to \$50,000,000.

Now a rival pirate ship appears in the offing—Thomas F. Ryan, P. A. B. Widener et al, having noted the success of American Tobacco in the stock market, under the able guidance of Standard Oil, conceived the idea of a rival tobacco company, and, aided by the sagacious counsel of Elihu Root, now secretary of state, organized the Union Tobacco company in 1899, capital stock \$10,000,000, of which \$1,350,000 was the only cash actually paid in.

The new company had friends in congress, notably in the senate, and the duties upon tobacco could be readjusted so as to help the new company and injure the old. Result—consolidation, satisfactory legislation and new orders to the printing and engraving bureau for the issuance of \$35,000,000 more stock. Before the passage of any legislation which would help the tobacco interest, it was deemed proper to get control of the stock of the only formidable rival in the country, a St. Louis corporation making plug tobacco. This is accomplished by the issuance of more stock, making the total capitalization in June, 1901, of nearly

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